

## Message Text

LIMITED OFFICIAL USE

PAGE 01 EC BRU 10345 181814Z

42

ACTION EUR-12

INFO OCT-01 ISO-00 EURE-00 AID-05 CEA-01 CIAE-00 COME-00

EB-07 FRB-03 INR-07 NSAE-00 CIEP-01 SP-02 STR-04

TRSE-00 LAB-04 SIL-01 SAM-01 OMB-01 L-03 PA-01 PRS-01

USIA-06 AS-01 IO-10 SS-15 NSC-05 /092 W  
----- 063779

P R 181708Z NOV 75

FM USMISSION EC BRUSSELS

TO SECSTATE WASHDC PRIORITY 9995

INFO ALL EC CAPITALS 1339

LIMITED OFFICIAL USE EC BRUSSELS 10345

E.O. 11652: N/A

TAGS: EFIN, EEC, US, FR, ETRD, UK

SUBJECT: EC FINANCE COUNCIL, NOVEMBER 17, 1975: RAMBOUILLET  
POST MORTEM

1. BEGIN SUMMARY: THE EC FINANCE MINISTERS DEVOTED A CONSIDERABLE PORTION OF THEIR COUNCIL SESSION OF NOVEMBER 17 TO A DISCUSSION OF THE RESULTS OF THE RAMBOUILLET CONFERENCE. ITALIAN TREASURY MINISTER AND COUNCIL PRESIDENT COLOMBO BRIEFED A RESTRICTED GROUP OF COMMUNITY FINANCE MINISTERS AND CENTRAL BANKERS ON WHAT TRANSPIRED, WHILE COMMISSION OFFICIALS WERE BRIEFED SEPARATELY. REACTIONS TO THE US/FRENCH ACCORD ON EXCHANGE RATE FLUCTUATIONS WERE FAVORABLE, ALTHOUGH NO DETAILS OF THE AGREEMENT WERE RELEASED TO THE PRESS. OUR SOURCES INDICATE THAT NO FRICTION WAS APPARENT REGARDING THE ATTENDANCE OF ONLY CERTAIN EC MEMBER STATES AT THE RAMBOUILLET CONFERENCE AND THAT ALL MEMBER STATES WERE REASSURED THAT THE CONFERENCE WAS NOT INTENDED TO SUPPLANT THE EC'S OWN ECONOMIC AND FINANCIAL COORDINATING MACHINERY. END SUMMARY.

2. US/FRENCH "AGREEMENT": A NUMBER OF SOURCES, INCLUDING  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 EC BRU 10345 181814Z

ING UK CHANCELLOR HEALEY, ACKNOWLEDGED TO THE PRESS THE

EXISTENCE OF A "FAIRLY DETAILED" CONFIDENTIAL AGREEMENT BETWEEN THE US AND FRANCE REGARDING EXCHANGE RATE STABILIZATION AND GOLD. OUR CONTACTS BOTH IN THE COMMISSION AND THE COUNCIL HAVE GIVEN US POSITIVE REACTIONS TO THIS AGREEMENT. SPEAKING TO THE PRESS, UK CHANCELLOR HEALEY TERMED THE AGREEMENT A "SOLID COMPROMISE" EMBODYING "SIGNIFICANT CONCESSIONS." THIS, OUR SOURCES FEEL, SHOULD REMOVE THE LOG JAMB BLOCKING AMENDMENTS TO THE ARTICLES OF IMF BOTH WITH REGARD TO EXCHANGE RATES AND TO GOLD, AND WILL HELP RESTORE CONFIDENCE IN THE INTERNATIONAL MONETARY SYSTEM. A NUMBER OF SOURCES, HOWEVER, POINT OUT THAT IT REMAINS TO BE SEEN THE EXACT EXTENT TO WHICH THE FEDERAL RESERVE WILL INTERVENE TO REDUCE FLUCTUATIONS OF THE DOLLAR VIS-A-VIS OTHER CURRENCIES. THEY NOW EXPECT THE BIS CENTRAL BANKERS COMMITTEE TO WORK OUT THE TECHNICAL DETAILS OF COORDINATED MARKET INTERVENTION.

3. NO FRICTION APPARENT BETWEEN EC ATTENDEES AND NON-ATTENDEES: ITALIAN TREASURY MINISTER AND COUNCIL PRESIDENT COLOMBO BRIEFED A RESTRICTED MEETING OF EC FINANCE MINISTERS AND CENTRAL BANK GOVERNORS ON THE RAMBOUILLET CONFERENCE. HE REPORTEDLY STRESSED TO HIS COLLEAGUES THAT NO STEPS HAD BEEN TAKEN AT RAMBOUILLET WHICH WOULD UNDERCUT THE EC'S OWN DECISION-MAKING APPARATUS, AND POINTED TO THE PARTICIPANTS' PLEDGES CONTAINED IN THE COMMUNIQUE TO WORK THROUGH EXISTING INTERNATIONAL FORA. OUR SOURCES INDICATE THAT FEELINGS OF DISSATISFACTION AND CONCERN PREVIOUSLY EXPRESSED BY A NUMBER OF SMALLER MEMBER STATES WHICH DID NOT ATTEND THE RAMBOUILLET MEETING, WERE NOT APPARENT AT THE COUNCIL MEETING. THERE SEEMED TO BE, ACCORDING TO THESE SOURCES, AGREEMENT THAT THE EC ATTENDEES HAD NOT TRAMPLED ON COMMUNITY TERRITORY AT RAMBOUILLET AND THAT THE CONFERENCE WAS OF POSITIVE BENEFIT NOT ONLY BY VIRTUE OF THE US/FRENCH AGREEMENT ON EXCHANGE RATE FLUCTUATIONS, BUT ALSO BECAUSE OF THE TRADE PLEDGE AND THE MORE GENERAL DISCUSSIONS OF THE WORLD ECONOMIC SITUATION.

4. RAMBOUILLET FOLLOW-UP: THE MINISTERS AGREED TO THE SETTING UP OF A SUBCOMMITTEE FOR MONETARY AFFAIRS OF THE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 EC BRU 10345 181814Z

EC COMMITTEE OF PERMANENT REPRESENTATIVES (COREPER) TO FOLLOW UP THE DISCUSSIONS AT RAMBOUILLET. THIS GROUP IS TO PRESENT A PAPER TO THE EUROPEAN COUNCIL (HEADS OF GOVERNMENT) WHEN IT MEETS IN ROME DECEMBER 1 AND 2 AND IS TO PARTICIPATE IN THE PREPARATION OF THE EC POSITION FOR THE IMF INTERIM COMMITTEE MEETING IN JAMAICA IN JANUARY. FOR ITS PART, THE EC MONETARY COMMITTEE EXPECTS TO RECEIVE AND WILL DISCUSS A FRENCH

REPORT ON THE US/FRENCH UNDERSTANDINGS AT ITS NOVEMBER 28 MEETING AS PART OF ITS PREPARATION FOR THE G-10 AND INTERIM COMMITTEE MEETINGS.

5. TRADE PLEDGE: IN A PRESS CONFERENCE TO THE SIDE OF THE COUNCIL, UK CHANCELLOR HEALEY WAS QUESTIONED ABOUT POSSIBLE BRITISH IMPORT RESTRICTIONS IN VIEW OF THE TRADE PLEDGE SIGNED AT RAMBOUILLET. HE NOTED THAT THE BRITISH SUBSCRIBED FULLY TO THE TRADE PLEDGE AS STATED IN THE COMMUNIQUE AND SAID THAT NO DECISION ON THE DESIRABILITY OF IMPORT CONTROLS HAD AS YET BEEN TAKEN BY HMG. HE DID ACKNOWLEDGE, HOWEVER, THAT A SITUATION MIGHT ARISE IN WHICH THESE CONTROLS WOULD BE NECESSARY. HEALEY MADE REFERENCE TO PREVIOUS STATEMENTS BY PRIME MINISTER WILSON AND SAID THAT THE UK "WAS CONSIDERING THE DESIRABILITY OF SOME TYPE OF IMPORT LIMITATIONS TO BE APPLIED IN THE CASE OF INDUSTRIES WITH AN ASSURED LONG-TERM VIABILITY, BUT WHICH WERE NOW, IN VIEW OF THE RECESSION, THREATENED WITH EXTINCTION."

6. CIEC: HEALEY TOLD REPORTERS THAT HE COULD STATE CATEGORICALLY THAT THE QUESTION OF A SEPARATE BRITISH SEAT AT THE CIEC "DID NOT COME UP DURING THE MEETINGS AT RAMBOUILLET." IN RESPONSE TO ANOTHER QUESTION, HOWEVER, HEALEY WOULD NOT EXCLUDE THE POSSIBILITY THAT DISCUSSIONS ON THIS SUBJECT TOOK PLACE "INFORMALLY IN CONNECTION WITH THE RAMBOUILLET CONFERENCE." MORRIS

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ECONOMIC CONDITIONS, MINISTERIAL MEETINGS, MEETING PROCEEDINGS, SUMMIT MEETINGS, FINANCIAL AGREEMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 18 NOV 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** CunninFX  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975ECBRU10345  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750401-0716  
**From:** EC BRUSSELS  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19751134/aaaabdmk.tel  
**Line Count:** 142  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EUR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** CunninFX  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 23 APR 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <23 APR 2003 by BoyleJA>; APPROVED <17 OCT 2003 by CunninFX>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** EC FINANCE COUNCIL, NOVEMBER 17, 1975: RAMBOUILLET POST MORTEM  
**TAGS:** EFIN, ETRD, FR, US, UK, EEC  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006